Actuarial Association of Europe

GDPR

- why should actuaries care?

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GDPR – what is it?

General Data Protection Regulation

- Any company handling European citizen data will have to comply with this incoming regulation by May 25, 2018.
- It provides greater levels of data regulation and compliance to ensure data is used and held responsibly and in a transparent manner, with the full understanding of the customer.
- New rules around customer consent, profiling, data portability and the customer's right to be forgotten.
- Insurance companies will have huge exposures under the new data protection laws.

GDPR – what is it?

Core elements

Consent: Insurers will have to make sure that consent exists to use and profile a customer's data. Insurers should also state how they intend to use the data.

Data portability: The customers have ownership and control of their own personal data, allowing them to reuse their data for their own purposes. Insurers should therefore accept that access to this customer data is only temporary.

Right to be forgotten: Customers will be entitled to ask insurers to delete their personal data where it is no longer required for its original purpose, or where they have withdrawn their consent.

GDPR
– why should actuaries care?

Potential issues

- Need for strict regulation of data access – no more quick fixes with a SQL-call into costumer data. All data use need to be documented, have a purpose and be secure.
- Data use has to have a documented purpose - it has to be necessary to run the business and there's a need for costumer consent. (*Maybe it is possible to use elements such as audit trail and data for technical provision as an argument to hold data - as long as there is a risk of resumption / development..?*)
- Full data for pricing can be flawed if costumers leave with their data. There is a need to anonymize data in such a way, that you can keep it with violating the GDPR, but still granular enough for pricing, capital modelling and so on….